

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY
BOARD OF COMMISSIONERS
MARKETING COMMITTEE MEETING**

August 25, 2009

A meeting of the Marketing Committee of the Rhode Island Convention Center Authority Board of Commissioners was held on August 25, 2009 pursuant to notice at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Committee Chairman, Dale Venturini, Commissioners Letitia Carter, Paul MacDonald, Jeffrey Hirsh and Jason Fowler.

Also in attendance were Jim McCarvill and Kim Keough, RICCA; Tim Muldoon, John McGinn, Amanda Marzullo and Arlene Oliva, RICC; Neil Schriever and Kristen Adamo, PWCVB; Larry Lepore, Cheryl Cohen, Jodi Duclos, Lisa Coelho and Lisa D'Ercole, DDC; Steve Habl, VMA; Fred Hashaway, Mark Brodner and Fasiha Amirali Murji, intern, RIEDC; Monica Bunton, interested party and Eileen Smith, recording secretary.

Ms. Venturini called the meeting to order at 12:32 PM. Ms. Venturini asked for a motion to approve the minutes of the July meeting. Upon a motion duly made by Mr. Fowler and seconded by Ms. Carter it was unanimously

VOTED: to approve the minutes of the July meeting.

Ms. Venturini asked that everyone introduce themselves.

Ms. Venturini announced that she is a member of the Edgewood Garden Club and recently received an award for growing the best tomato.

Ms. Venturini noted that we are going through a very difficult time and that we need to reach way out of the box to attract events to our facilities. Ms. Venturini stated that at this meeting our marketing teams will be presenting their combined Marketing Plans for the year.

CONVENTION CENTER

Mr. McGinn began the Convention Center's portion of the plan. Mr. McGinn by summarizing last years results. He noted that although FY 2009 event revenue was down it was the third best year in the history of the Convention Center. Mr. McGinn reported that twelve new public shows were booked and off-site catering for the Mayors Conference and the Schneider Electric/APC holiday party were very successful and opened a new source of revenue for the building. Mr. McGinn reported that an additional revenue generator has been identified by the use of the street level West lobby. He noted that the Rhode Island Bar Association Dinner was held in the previously under utilized space and the event received high praise. Mr.

MacDonald stated that the picture of the West lobby set up for the dinner was one of the best that he had seen. Mr. Hirsh noted that more and more functions are being held in building lobbies. Mr. McGinn presented the Convention Center's goals for FY 2010. He noted that event revenue already booked totals \$6 million with a goal of \$8 million. Ms. Venturini asked if we are going to make that goal. Mr. Muldoon answered yes. Mr. Muldoon reported that the Convention Center has instituted a new sales incentive plan. Mr. Muldoon explained the plan. Ms. Venturini noted that the sales team did not have a plan in the past. Mr. Muldoon stated that thanks to the Board's suggestions he was able to convince SMG that having the sales team incentivized was the way to go. Mr. McGinn reported on targets for public shows. He said that TKO Boxing, an expanded Roller Derby and the amateur sports market are being pursued. Mr. MacDonald asked about Jimmy Birchfield. Mr. McGinn reported that Jimmy is mostly promoting at Twin River and they provide the facility for free. Mr. McGinn said that we cannot compete with free. Mr. Fowler asked how we compete with casino giveaways. Ms. Oliva said that it is a challenge but we sell what we have in the City. She said that we have the competitive edge because this is what we do. She also noted that there are groups that do not want to be confined to a casino setting and their built in entertainment. Mr. McCarvill asked Ms. Oliva if when we do the Star Wars show at the VMA can we also do an associated event at the Convention Center. Ms. Oliva said that she would speak with Hasbro. Mr. McGinn reported on tradeshow prospects for FY 2010. He noted that Machine Quilters Exposition

and American Specialty Toy Retailing Association have contracted for 2010 and the sales staff is working on getting them to contract for multiple years. Mr. McGinn reported that his team has targeted conventions for the next few years. Meeting prospects are Blue Cross & Blue Shield of RI, the Boston Route 128 Belt, Fidelity Investments, Hasbro, Brown University, CVS The Stop & Shop Companies and Lifespan. Mr. McGinn reported that the target market for events will be the religious market and multi level market such as Avon, Tupperware and Pampered Chef. Mr. Hashaway said that RIEDC would help in any way possible. He said that RIEDC recognizes the importance of tourism to the economy of Rhode Island. Mr. Hashaway noted that the development of a better relationship between RIEDC and the different tourism organizations would be helpful. Mr. Hashaway stated that in our collective wisdom we should decide on initiatives that should be taken and recognize the obstacles and opportunities that we face. Ms. Venturini noted that the Marketing Committee was formed so that there is an exchange of information between the groups and that RIEDC has been an important participant in the work of the committee.

VMA

Ms. Venturini reported that she has a friend that works for the Philharmonic that is thrilled with the new management of the VMA. Mr. Hahl reported on the obstacles that the VMA must overcome in order to be contender in the market. He stated that new and

innovative bookings on the local, regional and national level are needed for the venue. Mr. Hahl noted that some of the obstacles include location, proximity to a major market, proximity to two nationally recognized casinos and one local facility, the size of the VMA, inadequate backstage support facilities which are not up to Equity standards and the lack of a successful local independent promoter. Mr. Hahl reported that the competition that keeps him awake at night are Lupo's, Twin River, The Park Theater, Showcase Live at Patriot Place, the Columbus Theater, Stadium Theater and other regional venues. Mr. Hahl presented his marketing objectives, strategy and tactics for increasing the number of events at the VMA. Mr. Hahl thanked Cheryl Cohen for been assisting him in identify opportunities to create new revenue sources from appropriate lobby advertising signage, promoting the VMA as a desirable advertising opportunity to an upscale demographic and by educating potential clients on the value of marketing their brand or product to VMA patrons. Mr. Hahl stated that he would like to see advertising signage on the I-95 side of the building as well as banner space over the front entrance. Mr. Hahl described the strategies and tactics that will be used to meet the objectives. Mr. Hahl noted that with the help of his partners, group sales will be implemented at the theater. He said that the objective will be to maximize ticket sales to all group discounted events and entice groups to purchase blocks of tickets. Mr. Hahl noted that his staff is identifying new leads and contacts for group sales. Mr. Hahl noted that the VMA will incorporate all new media and social marketing options as part of event marketing campaigns and

increase show and venue awareness. Mr. Hahl presented FY 2010 projected highlights and noted that there are three new independent local promoters that he is hopeful will work with the VMA to bring quality performers to the venue. Mr. Hirsh asked how the air conditioning was working. Mr. Hahl answered that the air conditioning is not good. He said that he has no control over heat or air conditioning and the fiscal plant is very old. Mr. Hahl also said that he thinks we are losing sales because of the conditions backstage. Mr. MacDonald asked the priority of repairs. Mr. Hahl said bathrooms would be at the top of the list. Mr. McCarvill said that we need to do an analysis and decide what capital improvements are going to be done. Mr. Fowler noted that DL is scheduled to appear at Twin River. Mr. Hahl said that the show is not selling well and that the promoter is looking to move the show. Mr. Hahl stated that he relies on Kim Keough and Cheryl Cohen to show the way. He said that he is riding on everyone's coat tails because he has no marketing budget. Mr. Fowler asked what Mr. Hahl does to get the attention of promoters. Mr. Hahl answered that he makes cold calls. Ms. Keough noted that Mr. Hahl has dusted off the old rolodex and contacted everyone from the past. Ms. Carter asked if there has been any interest in renting the office space. Mr. McCarvill noted that because of the anticipated cost to renovate the space he does not think renting is feasible. He said that we would not be able to rent the space for an amount that would make the renovations worthwhile. Mr. McCarvill said that he would rather keep the space available for the arts community. Ms. Carter said that it is wonderful speaking with

Mr. Habl. She said that he has so many great ideas. Mr. Habl reported that the Ballet is considering moving their administrative offices to the building. Ms. Carter noted that Mr. Habl is still using old VMA stationary to save money on office supplies.

DUNKIN DONUTS CENTER

Ms. Venturini asked Ms. Cohen to address the Committee. Ms. Cohen stated the Dunkin' Donuts Center staff and SMG will continue to maintain the existing variety of events and target new, innovative bookings to improve the overall success of the venue. Ms. Cohen noted that SMG had secured Spirit of America for FY 2010 and is working to confirm future bookings. Ms. Cohen reported that SMG is considering a plan to establish a marketing fund and will provide additional booking support and resources to the Dunkin' Donuts Center staff. Ms. Cohen highlighted the challenges that the venue faces. She said that competition from other venues, the lack of touring artists and the current state of the economy make the job of the Dunkin' Donuts staff harder but they are up for the challenge. Ms. Cohen stated that the marketing objectives for the coming year will be to support events and bookings through media and public awareness campaigns, to generate revenue through advertising, group sales and premium sales and to create awareness of the venue to industry professionals, event planners and business leaders. Ms. Cohen reported that the staff will be working to secure a minimum of

\$40,000 in sponsorship revenue, provide the Providence Bruins and Providence College Men's basketball with additional marketing support and maintaining contact with local media. Ms. Cohen stated that the goal for the venue is to secure \$866,750 in gross advertising revenue for FY 2010 by targeting potential clients, encourage existing clients to increase their investment, develop new revenue generating opportunities and update sales and sponsorship materials to include website and e-marketing revenue opportunities. Ms. Cohen reported that the process has begun to renew the suite leases by implementing an incentive program. She also reported that the Providence Players Club Bar & Grill was utilized for several events this past year and that it is now possible to create separate private pods in the restaurant for parties. Mr. Hirsh asked if a fee is charged for rental of the space. Ms. Cohen said that we charge rent and share the food and beverage revenue with Sportservice. Mr. Hirsh asked if Ms. Cohen was still pursuing restaurant row. Ms. Cohen said yes and that Dave & Busters banner just went up. Ms. Cohen presented a list of events for FY 2010. She said that Spirit of America will be here in September and will be dedicating the War Memorial on September 24th. Ms. Cohen explained what people will see at the free Spirit of America performances. She stated that it is a spectacular event. Ms. Cohen said that Trans Siberian Orchestra will have two shows in November and the Boston Pops will be presenting their Christmas show in December. Ms. Cohen noted that the NCAA Tournament will be here in March. Ms. Cohen reported that over thirty family show performances are scheduled for FY 2010.

PROVIDENCE/WARWICK CVB

Mr. Schriever presented the PWCVB's portion of the Marketing Plan. Mr. Schriever presented an overview of the role of the CVB and its importance to the Convention Center Complex. Mr. Schriever highlighted the past year's meetings and event accomplishments and the awards that were presented to them. Mr. Schriever displayed several slides comparing our area with national results in occupancy and rate. Mr. Schriever reported that the budgets of the CVBs in our competing cities are greater than the Providence/Warwick CVB. He said that limits what can be done to provide incentives for meeting planners. Mr. Schriever reported on the obstacles that are faced by the CVB. He noted that convention center supply growth outpaced demand in recent years and meeting and event planners are protecting themselves from attrition liability by blocking fewer peak room nights. Mr. Schriever reported on the strengths of the area. He said that the dense regional population, the number of downtown hotel rooms in walking distance to the Convention Center, the skywalk connecting the Dunkin' Donuts Center to the Convention Center, work rules that are favorable for event organizers, high quality restaurants and attractions and the convenience of TF Green Airport are areas of strength that the CVB emphasizes. He said that our weaknesses include a lack of direct flights in and out of TF Green Airport, the lack of space or venues for large off site functions and the size and versatility of the Convention Center's breakout space.

Mr. MacDonald asked if we do anything to help the Westin. He said that they are hurting in this economy. Mr. Schriever noted that all hotels are hurting but because of the connectivity of the Westin with the Convention Center they are not as vulnerable as most. Mr. MacDonald commented on the idea of promoting Logan Airport to visitors. He said that we should be encouraging people to use TF Green. Mr. Schriever explained that there are problems getting direct flights into or out of Green. He stated that the Custom Forum suggested that it would be helpful to provide alternative means of access to Providence. Mr. MacDonald said that it is fine to let people know that Logan is an alternative but do not promote. Mr. Fowler suggested that greater sales efforts should take place in the DC area because there are direct flights into Green from that area. He asked if the PWCVB had considered increasing their budget to include another sales person. Mr. Fowler also asked if the CVB incentivizes the sales staff. Mr. Schriever answered that there are no financial incentives.

Ms. Venturini thanked everyone in attendance and noted that the 2 ½ hour meeting had been very important and informative. She noted that due to time constraints Ms. Keough would present her Communications Plan at a later date.

Ms. Venturini asked if there was any other business. Hearing none she asked for a motion to adjourn. Upon a motion duly made by Mr. Hirsh and seconded by Mr. Fowler it was unanimously

VOTED: to adjourn at 3:10 pm